



Citizens Clean Elections Commission Bulletin

Volume 2, Quarter 1

January 2005

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Message from the Outgoing Chair

Welcome to the 2005 first quarter *Citizens Clean Elections Commission Bulletin*. In the past five years, I have seen the Commission grow and change. I am proud to have played a role in implementing a new campaign finance reform system. Through each election cycle, we have learned what we can do to improve voter education and streamline the system. Gauging public feedback has also been vital to ensuring success. One of our main goals has been to enable qualified citizens who traditionally could not afford to run for office, the funding to run an effective campaign. In order to implement & achieve this goal, we have established rules and proposed legislative changes that will make the system easier to use. We have strived to continuously improve a system that has become the role model for states across the country. I have found great personal satisfaction in helping to lay a strong foundation for the Commission. Working with my fellow Commissioners has been an honor. I am deeply grateful to have served as your Chair this past year, and I am confident that Commissioner Busching's leadership will help sustain the momentum of the Commission, and continue its progress of building public awareness and understanding of the Clean Elections Act. As my tenure with the Commission comes to a conclusion, I would like to thank you for your continued support and dedication. It has been a pleasure serving the state of Arizona, and I will look back at my time with the Commission with fond memories.

Sincerely,

David G. McKay, 2004 Chair



State of Arizona
Citizens Clean Elections Commission

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This Bulletin is intended to be an informational tool used to update parties regarding the Commissions' projects and developments. If you have further questions, feel free to call the Commission directly and speak with any staff member at 1-602-364-3477 or toll free at 1-877-631-8891. As a state agency, we are here to serve you.

The Act and the Commission

The Citizens Clean Elections Act (Act) is a campaign finance reform measure that was initiated by Arizona citizens and passed by voters in 1998. The Act creates a new campaign financing system that provides full public funding to qualified candidates who agree to abide by the Act and Commission rules. The 2003-2004 election cycle was the third election season in which candidates could run a political campaign under the Act.

Governed by the laws of the State of Arizona, the Citizens Clean Elections Commission (Commission) has been created to implement and enforce campaign finance laws and to

promote voter education through candidate debates and a Candidate Statement Pamphlet. The Act allows the Commission to provide procedures for the inspection of a candidate's bank account, campaign finance reports and financial records relating to the candidate's campaign.

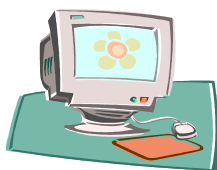
To qualify for funding, the voluntary "participating candidates" must adhere to spending and contribution limits and gather \$5 qualifying contributions from district constituents who are registered voters.

Participating candidates also agree to attend required debates.

Governor to Appoint New Commissioner

Chair David McKay (R), a Flagstaff resident, will complete his five-year term as a member of the Citizens Clean Elections Commission in January 2005. During 2004, Mr. McKay served as chair of the Commission, and he was appointed to the Commission by Governor Jane Dee Hull in 2000.

Through December 17, 2004, Governor Janet Napolitano sought qualified applicants to fill Chair McKay's upcoming position on the Citizens Clean Elections Commission. The new appointee will sit on the five-member commission and serve a five-year term. State law requires that the makeup of the commission be politically balanced. The candidate, therefore, must have been continuously registered with the same political party (or as an independent) for the last five years, and, because of the current makeup of the Commission, may not be a member of the Democratic Party. Additionally, state law requires that no more than two members be from the same county; thus, applicants for this position cannot be from Maricopa County. Qualified applicants also may not have been appointed to, been elected to, or run for any public office, or served as an officer of a political party in the past five years.



www.azcleanelections.gov

Please visit the Citizens Clean Elections Commission website at www.azcleanelections.gov to view the latest Commission news.

You may also access publications such as the Act, Rules & Policies Manual. While you are visiting the Commission website, please take a moment to sign up to receive e-mail newsletters.

If you have questions, feel free to contact Voter Education Manager, Autumn Southard, at (602) 364-3477, extension 210.

Recent News



CITIZENS CLEAN ELECTIONS COMMISSION ANNOUNCES RESULTS OF 2004 ELECTION

2004 Results Show Increase in Participating Candidates and Clean Elections Winners

PHOENIX, Ariz. (November 3, 2004) – The Citizens Clean Elections Commission (CCEC), a campaign finance reform commission created and passed by voters in 1998, announced today a 10 percent increase among CCEC candidate victories and a four percent increase among candidate participation since the Act took effect six years ago.

The 2004 general election results demonstrate that 56 percent of the candidates, 88 out of 156, running for statewide and legislative office were participating candidates in the Clean Elections system, up from 52 percent in 2002 and 29 percent in 2000. Out of 94 elected offices up for grabs in 2004, participating candidates won 52 percent of the statewide and legislative offices. This is an increase from 39 percent in 2002, and 17 percent in 2000.

“It is encouraging to see that candidates and voters are choosing to use the Clean Elections system and are experiencing Arizona’s campaign finance reform efforts,” said Autumn Southard, CCEC voter education manager. “Arizona is viewed as a model for campaign finance reform by many states.”

The Citizens Clean Elections Act, which was passed by voters in 1998, created a new campaign financing system that provides full public funding to qualified candidates who agree to abide by Citizens Clean Elections Commission (CCEC) guidelines. Candidates for statewide and legislative offices are eligible to participate in the public funding program.

CITIZENS CLEAN ELECTIONS COMMISSION ELECTS BUSCHING AS NEW CHAIR

PHOENIX, Ariz. (December 1, 2004) – The Citizens Clean Elections Commission (Commission), a state agency that administers the Clean Elections Act, announced today it has elected Phoenix resident Marcia Busching (D) as Chair of the Commission for 2005.

Governor Janet Napolitano appointed Ms. Busching to the Commission in January 2003 for a five-year term, which concludes in 2008. Ms. Busching replaces outgoing Chair David McKay whose term comes to an end in January 2005.

“Through continued strong leadership, the Commission will continue its progress of building public awareness and understanding of the Citizens Clean Elections Act,” said Autumn Southard, Commission voter education manager. “We are very happy to have someone of Commissioner Busching’s stature help sustain the momentum of the Commission.”

Ms. Busching has been a resident of Arizona since 1976. She was a practicing lawyer from 1977-2004 and is certified by the Arizona State Bar as a specialist in real estate law. Ms. Busching recently retired from the law firm of Sacks Tierney, P.A.

The Commissioners are appointed to the Commission for a five-year term. The Commission elects a chair to a one-year term to lead the five member board.

Commissioners are responsible for implementing the Clean Elections Act in an “honest, independent and impartial fashion and to uphold public confidence in the integrity of the electoral system,” according to the Act. The chair is charged with directing the activities of the Commission and to serve as the chief spokesperson on behalf of Commission activities.

The Commissioners administer the provisions of the Clean Elections Act, which includes developing rules and policies that complement the spirit of the Act. The nonpartisan Commission is comprised of commissioners from across the state, appointed by top-elected officials of opposing parties. They are David G. McKay (R) of Flagstaff; Kathleen S. Detrick (I) of Tucson; Ermila Jolley (D) of Yuma; Marcia Busching (D) of Phoenix; and Tracey A. Bardorf (R) of Scottsdale.

Officeholder Expense Account Rule

Pursuant to A.A.C. R2-20-104(F), elected officials may raise and spend money for officeholder related expenses. This rule applies to both participating and nonparticipating candidates. The intent of this rule is to allow participating candidates to raise and spend money on office related needs, and to allow nonparticipating candidates to make office related expenditures without triggering matching funds for their opponents in the 2006 election.

In order to comply with this rule, an officeholder must establish a new committee with the Secretary of State's office that is specifically designated for officeholder expenses. Elected officials who have previously set up this type of account may reuse the same account assuming the name of the account does not relate to a particular year. For example, if your account is titled, 'Candidate Name' Constituent Services Committee or 'Candidate Name' Officeholder Account Committee you may reuse this account. If your account is titled, 'Candidate Name' 2004 Constituent Services Committee, you must establish a new committee. These committees are held to the same campaign finance reporting requirements as regular candidate committees. If you do not establish an officeholder expenses committee with the Secretary of State's office, any expenditure that you make will be considered to be directly related to your 2006 campaign. If you plan on becoming a participating candidate, this may cause you to inadvertently exceed your 2006 election cycle early contribution limits. If you plan on running a privately funded campaign in 2006, this may cause you to inadvertently trigger matching funds for your opponent. Therefore, if you plan on making any officeholder or constituent related expenses, please register your officeholder expenses committee with the Secretary of State's office.

Below are the spending limits for each office. Please keep in mind that the Secretary of State has not yet adjusted the spending limits for inflation for the 2006 election cycle. We will send out an updated letter to you once the adjustments have been made.

<u>Office</u>	<u>Spending Limit</u>	<u>Office</u>	<u>Spending Limit</u>
Governor	\$88,280	Superintendent of Public Instruction	\$22,640
Secretary of State	\$45,280	Corporation Commission	\$22,640
Attorney General	\$45,280	Mine Inspector	\$11,320
Treasurer	\$22,640	Legislature	\$5,660

You may raise this money by collecting \$55 from individuals or by providing your own personal money. There is no limit to personal money contributions as long as it, combined with any individual contributions, does not exceed the spending limit.

Officeholder Expense Account, continued...

If you were a privately funded candidate during the 2004 election cycle, you may also transfer in surplus monies from other campaign accounts as long as those monies were originally from individuals, and as long as the transfer is limited to \$55 per individual contributor.

You may raise \$55 from individual lobbyists while you are not in session or while you are in special session. However, you may NOT raise money from lobbyists while you are in regular session.

This money must be raised, spent and the benefit from the expenditure received by April 30, 2006. Any expenditure made after April 30, 2006, will be considered to be a regular campaign expenditure. If there is money remaining in your officeholder expenses account after April 30, 2006, it shall be either remitted to the Commission or not spent for the remainder of the calendar year (this applies to all candidates).

The money in the officeholder expenses account cannot be used for direct campaign purposes!

Permissible uses of the money include:

- Expenditures for office equipment and supplies.
- Expenditures for work-related travel.
- Donations to tax-exempt charitable organizations.
- Expenditures to meet or communicate with constituents.



To Whom does the Resign to Run Law Apply?

The resign to run law applies to incumbent elective officers who seek election to any public office other than the office that the incumbent is currently holding. If an elected official wishes to declare his or her candidacy anytime before the final year of the term being held, the officeholder must first resign his or her office.

An elected official is not deemed to have offered himself or herself for nomination or election to an office or to have made a formal, public declaration of candidacy solely by his or her designation of a candidate campaign committee.

Topic of the Quarter

The Exploratory Period

During the exploratory period, participating candidates may:

- Raise and spend a limited amount of early contributions and personal monies (Early contributions are raised from individuals only. Personal monies are the candidate's and the candidate's family's contributions to the campaign.).
- File the Application for Certification as a Participating Candidate
- Retire campaign debt.



Dates of the Exploratory Period

November 6, 2004—December 31, 2005	Legislative Candidates
November 6, 2004—July 31, 2005	Statewide Candidates

If a candidate intends to receive contributions or make expenditures of more than five hundred dollars in connection with a campaign for office, the candidate shall designate in writing a political committee for each election to serve as the candidate's campaign committee. The political committee must be established prior to raising and spending early contributions and personal monies.

Retiring Prior Campaign Debt:

During the exploratory period **only**, the candidate may accept additional early contributions or use additional personal money to retire prior campaign debt. The exploratory period is the only period of time that candidates may raise funds to pay for debt from a previous campaign.

If a participating candidate has a debt from a previous election in which the candidate was not a participating candidate, then, **during the exploratory period only**, the candidate may accept the following monies to retire a prior campaign debt:

- Individual contribution limits applicable to nonparticipating candidates. For the 2005-2006 election cycle, the individual contribution limits are \$280 for legislative candidates and \$720 for statewide candidates.
- Unlimited personal monies.

Participating candidates MAY NOT raise \$5 qualifying contributions during the exploratory period!!

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Thank you very much for taking the time to read our first quarter *Bulletin*! The *Bulletin* is published once a quarter and is posted on the Commission's website.

Visit us on the Web!
www.ccec.state.az.us

2005 First Quarter Commission Meeting Schedule

Citizens Clean Elections Commission

Commissioners

David McKay, Chair

Marcia Busching

Kathleen S. Detrick

Ermila Jolley

Tracey A. Bardorf

Commission meetings are held in the Citizens Clean Elections Commission conference room at 1616 W. Adams in Phoenix.

Please contact the Commission or check the Commission website, www.ccec.state.az.us to confirm meeting dates and times.

The Commission meeting minutes and agendas are available free of charge on the Commission website. Additionally, past minutes and agendas are posted on the website.

Upcoming Meetings

January

1/27/05

Thursday, 9:30am

February

TBD*

March

3/24/05

Thursday, 9:30am

***To Be Determined—Please refer to www.ccec.state.az.us**